

JBC STAFF FISCAL ANALYSIS HOUSE APPROPRIATIONS COMMITTEE

CONCERNING PHARMACY BENEFIT MANAGER MAXIMUM ALLOWABLE COST PRICING REQUIREMENTS FOR PRESCRIPTION DRUGS.

Prime Sponsors: Representative Kraft-Tharp
Senator Crowder

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/14/14.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House Health, Insurance, & Environment Committee Report (02/20/14) replaced the requirement that pharmacy contracts include the sources used to determine maximum allowable cost pricing with a requirement that pharmacy benefit managers supply the information on request within 10 days. Both Legislative Council Staff and the JBC Staff agree that the committee amendment does not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$129,831 total funds, including \$44,519 General Fund, to the Department of Health Care Policy and Financing for FY 2014-15. Pursuant to direction from the Chairmen of the Appropriations Committees, this amendment includes a provision to access the \$20.0 million General Fund that has been set aside in the Joint Budget Committee's FY 2014-15 budget package to fund 2014 legislation.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2014-15 based on the March 2014 Office of State Planning and Budgeting revenue forecast. The budget package allocates \$20.0 million General Fund to be available to fund 2014 legislation; if the full \$20.0 million is not used to fund legislation, it will be credited to the Controlled Maintenance Trust Fund.